

Policy Outcomes

1. To provide guidelines for staff that assist in ensuring any rates or service charges owing to Council are collected in a consistent and timely manner;
2. To provide ratepayers with clear guidelines relating to outstanding monies.

Policy Guidelines

Outstanding Rates

1. All monies owed to Council for rates raised under Section 6.32 of the Local Government Act are deemed to be overdue following a period of thirty-five (35) days from the date of the original rates notice.
2. At the expiration of the thirty-five (35) day period, Council shall issue one final notice giving the debtor a further fourteen (14) days to rectify the debt.
3. At the expiration of the fourteen (14) day period, if a payment has not been forthcoming, then Council will refer all outstanding rates with amounts outstanding for a period greater than forty-nine (49) days to its solicitors or debt collection agency for follow up action.
4. All costs associated with debt collection action will be borne by the debtor, excluding the GST charged by the Shires collection agency and the document-handling fee charged by the court.
5. Summons are not to be issued for current years rates until earliest possible time in January of the new calendar year.
6. Interest on outstanding monies shall be calculated on a daily basis at a level set at Council's annual budget for monies outstanding for a period greater than thirty-five (35) days in accordance with Section 6.13(6) of the Local Government Act.
7. Following the issue of a summons and addition of legal costs, a reasonable offer to discharge a rate account by instalments will be not refused.
8. Legal proceedings will continue until payment of rates imposed is secured. This includes the issue of a Warrant of Execution against goods **and** land if necessary.

If a Warrant against land is proposed to collect outstanding rates due on properties where the owner resides, approval of Council will be obtained before the Warrant is lodged.

Warrants against land will be used to collect outstanding amounts in respect to investment properties or vacant land without a requirement that these be referred to Council.

9. In cases where the owner of a leased or rented property on which municipal rates are outstanding cannot be located or refuses to settle rates owed, notices may be served on the lessee or tenant under the provisions of Section 6.60 of the Local Government Act. This requires the lessee or tenant to pay to the Council the rent due under the lease or tenancy agreement as it becomes due until the amount in rates arrears has been paid.

Arrangements to Pay Off Debt

1. The Chief Executive Officer is authorised to consider and to either approve or reject any application for deferment or payment by instalments, in accordance with Section 6.49 of the Local Government Act.
2. All requests for extensions and / or payment by instalments must be made in writing.
3. The ratepayer must, when making application for an extension or payment by instalments, provide in writing:
 - details to support their payment;
 - advice as to the date payment will be finalised;
 - date of, and amount of, instalment payment schedule (including date of final instalment).

Note Ratepayers who have made written contact with Council seeking an extension and / or payment by instalment method, or are subject to a separate agreement, are exempt from legal action for recovery of outstanding monies **unless** the payment schedule has been defaulted. Applications from pensioners will be considered individually and will be exempt from default procedures.

Small Balances

Where a rates account has a balance equal to or less than \$5.00, the balance owing is to be written off:

1. Immediately after the due date for rates collection where rates have been paid in full;
2. Immediately after the due date for the final rates instalment; and

3. As at 30th June each year.

The authority to write off debts is employed under Section 6.12 (1)(c) of the Local Government Act 1995. Upon writing off the small balances, a record shall be kept of the amount written off. In July each year, the Rates Officer shall provide to the Chief Executive Officer the total amount of outstanding small rates balances written off for the preceding financial year.

Policy Strategies

1. The policy shall be utilised by the Administration Department when dealing with outstanding monies.
2. The policy shall be implemented on a day-to-day basis by relevant officers under delegation by the Chief Executive Officer.
3. Records shall be kept to ensure continuity of information for historical purposes.
4. All provisions of the Local Government Act relating to recovery of unpaid rates and services charges shall be adhered to at all times.

Footnote

Each debtor's right to appeal in accordance with the provisions of the Local Government Act shall not be relinquished by anything in this policy.

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The Administration of this Policy is by the Statutory Services directorate.
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